

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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Ratio Study Narrative 2023

General Information	
County Name	Fayette County

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
Jeff Coleman	765-825-4931	assessor@co.fayette.in.us	County Assessor
Jay Morris	765-457-6787	jay@avs-in.com	Ad Valorem Solutions, LLC
Jaime Morris	765-457-6787	jaime@avs-in.com	Ad Valorem Solutions, LLC

Sales Window	1/1/2020 to 12/31/2022
<p>If more than one year of sales were used, was a time adjustment applied?</p> <p>Due to the size of the county and in hopes of getting the best representation of sales to complete the trending process, as well as the sales ratio to be performed on all strata's containing 25 or more parcels, we used sales from 1/01/2021 - 12/31/2022 for all classes and groupings. Except C/I. For Commercial and Industrial vacant and improved we used sales from 01/01/2020 – 12/31/2022.</p>	<p>If no, please explain why not.</p> <p>We did not have enough paired sales to establish a reliable time adjustment.</p>
	<p>If yes, please explain the method used to calculate the adjustment.</p>

Groupings

Please provide a list of township and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.

****Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department****

The Residential Vacant land was grouped (L1). Fayette County is mainly a rural county. Therefore, the homesites throughout the county are similar rural tracts and should be grouped for trending and sales ratio purposes. There were only six vacant sales, and no more than 1 sales in any given township except for Connersville. There were no changes made to the land values other than the updating of land order.

Fayette County except for Connersville is primarily an agricultural county. Many of the townships share the same school district, homesite rates and neighborhoods. Due to the number of sales and the similarity of neighborhoods in these townships, we have grouped Columbia, Fairview, Orange, and Posey Townships as (R1). We have grouped Jackson, Jennings, and Waterloo Townships as (R2). Harrison and Connersville Townships stand alone.

Due to the limited number of sales, and the fact that most of the commercial sales are in Harrison and Connersville Townships the commercial and industrial vacant properties are grouped together in the ratio study (L2). There were only 3 vacant land sales in Fayette County this year – so land values for C/I were not trended. Sales included as information only – as ratio study could not be performed.

The commercial and Industrial properties are mainly in the City of Connersville. Connersville stretches across Connersville and Harrison Townships. The neighborhoods also stretch across those two townships. Therefore, the neighborhood regardless of the township was trended alike. For this reason, the commercial and industrial parcels were trended together in the ratio study (C1).

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation
Commercial Improved	Fairview Twp. > 10%	Several changes made during reassessment, tanks added, and models changed.
	Posey Twp. > 10%	Added dwelling on to property with commercial building.

Commercial Vacant	Fairview Twp. > 10% Harrison Twp. > 10%	Land value increased with update of land order. New land order updated values as well as commercial park subdivided from ag land.
Industrial Improved	Fairview Twp. > 10%	21-01-34-300-004.001-005 was changed from Ag to Ind Impr. 21-01-34-311-003.000-005 was changed from Com to Ind.
Industrial Vacant	Harrison Twp. > 10%	Land values updated with the land order.
Residential Improved	Columbia Twp. > 10% Connersville Twp. > 10% Fairview Twp. > 10% Harrison Twp. > 10% Jackson Twp. > 10% Jennings Twp. > 10% Orange Twp. > 10% Waterloo Twp. > 10%	Several new houses as well as the trending factor increased nearly 20% based on recent sales. Several new homes as well as trending factor in many neighborhoods changing as much as 15%. A few parcels changed from Ag to Res. Also, several changes during reassessment, updating of effective age, as well as large change in trending. Several new homes, land order updated, and township reassessed resulting in physical changes as well as effective age changes. Land type 92 increased. Trending factor the homesite neighborhood increased 30% based on sales. Land type 92 increased. Trending factor the homesite neighborhood increased 20% based on sales. Land type 92 increased. Trending factor the homesite neighborhood increased 20% based on sales. New houses. Land type 92 increased. Trending factor the homesite neighborhood increased 20% based on sales. New House.
Residential Vacant	Columbia Twp. > 10% Fairview Twp. > 10% Harrison Twp. > 10% Jackson Twp. > 10%	Res land type 92 was increased in line with Ag land pricing, therefore went up on parcels containing land type 92. Land value increased with update of land order. Land value increased with update of land order. Res land type 92 was increased in line with Ag land pricing, therefore went up on parcels containing land type 92.

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.

The townships of Fairview and Harrison were reviewed for the first phase of the reassessment.

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed.

The land order is being completed with each phase of the reassessment. Therefore, for the two townships listed above, the land order was updated.

Comments

In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be standard operating procedures for certain assessment practices (e.g. effective age changes), a timeline of changes made by the assessor's office, or any other information deemed pertinent.

With the number of sales in Fayette County, during the trending process we would look at 3 to 4 years' worth of sales to assist with some neighborhoods that did not have a lot of sales. However, our final product was displayed with the sale dates established above.

The sale values have not dropped. In some cases, the sales are showing longer on the market, and the number of "bidding wars" may have dropped, but the values are still much higher than our assessed values. Therefore, many of the townships are still witnessing large trending factors resulting in great increases in assessed value.

Fayette County has a permit system in place that assists the Assessor with updating their parcel records. Along with that the county uses the % complete chart to standardize changing effective years on parcels that add additions as well as do extensive remodeling. During the sales validation process, the county also utilizes this same method of establishing effective age. During the site visit, if an internal visit is denied, a call to the owner or seller provides additional information with the remodeling that may have occurred to the property. The Assessor also uses various websites to help establish the extent of internal remodeling not available from just outside appearance on sold as well as unsold property. On less extensive remodeling, change of condition may result.

Except for Posey Township, ALL townships went up greater than 10% due to reassessment but especially due to trending based on the ever-increasing sale prices.

We have highlighted in yellow within the formatted tab sales that are multi-parcel sales but do not have the same SDFID. There are two of them consisting of four total parcels.

We have included a spreadsheet explaining differences between the workbook and ratio study.

